

VZCZCXYZ0014
RR RUEHWEB

DE RUEHWN #0210/01 0931642
ZNY CCCCC ZZH
R 031642Z APR 09
FM AMEMBASSY BRIDGETOWN
TO RUEHC/SECSTATE WASHDC 7284
INFO RUCNCOM/EC CARICOM COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 0307
RUEHIN/AIT TAIPEI 0151

C O N F I D E N T I A L BRIDGETOWN 000210

SIPDIS

E.O. 12958: DECL: 03/18/2019
TAGS: [PGOV](#) [KCRM](#) [PREL](#) [INRB](#) [XL](#) [CH](#) [TW](#) [EAID](#) [OFDP](#)
SUBJECT: ST LUCIA: GOVERNMENT WEAKNESS AND FOREIGN
INTERFERENCE POST CHALLENGES TO GOVERNMENT ACCOUNTABILITY

Classified By: Charge d'Affaires, a.i. D. Brent Hardt, reasons 1.4 (b,d
)

SUMMARY

¶1. (C) The government's integrity and accountability are under increasing strain in St. Lucia in the face of continued tensions within the governing party and windfall foreign funds being deployed by Taiwan into government constituencies. With the ongoing economic slowdown impacting the island, the pressure to accept money from foreign sources or pursue illicit schemes -- including liaison with drug traffickers -- for personal or political gain is on the rise. The main culprits are government Ministers that the PM has struggled to control and who are eager to challenge his leadership. Taiwan has ramped up its financial involvement in St. Lucia in order to tilt the political balance toward the government, as the opposition has promised to shift recognition back to China -- likely in its own bid for funding. End summary.

Will the UWP hold a Party Convention?

¶2. (C) Ruling party MP Jeannine Compton expressed concerns to poloffs about the upcoming UWP party convention. She said the party may postpone the convention, due in April, rather than risk a leadership challenge against Prime Minister King. She noted that King is still unable to control the various factions of the party, despite a recent ebbing of the influence of Housing Minister Richard Frederick as corruption charges against him have begun to move forward.

¶3. (C) Kenneth Monplaisir, a prominent local lawyer and head of the election commission, meanwhile, sees King's weakness not as a impediment to maintaining power but as an asset, as the lack of established hierarchy allows a more decentralized power structure among the various ministers and leads to ministers concentrating on keeping power in -- and profiting from -- their own "fiefdom" rather than challenging for leadership of the party. Monplaisir lamented, though, that corruption and malfeasance in the fiefdoms were getting out of hand and the public was losing patience with the government.

Official Corruption: Frederick, Mondesir Cases

¶4. (C) Customs Comptroller Terence Leonard continues his pursuit of Minister Frederick for false invoicing. Leonard told poloffs he is ready to move forward but does not have the assistance of the attorney general, who has refused to participate in the case. Leonard claims his office is without

legal counsel and does not have the funds to hire an outside lawyer to pursue the case. He claims to have been actively discouraged from pursuing this case further by the PM, the attorney general and the public prosecutor's office. According to Kenneth Monplaisir, the case is getting stale and the public is starting to lose interest, despite the widespread perception that Leonard is one of the most honest officials in St. Lucia and that Frederick is widely considered a 'thug'.

15. (C) Leonard fears that he could be put on administrative leave and that a successor would be told to get rid of any incriminating evidence against Frederick. If Leonard could be displaced for even a short amount of time, the case against Frederick would be seriously weakened. The new comptroller would have the ability to release the evidence and try to dismiss the allegations against Frederick. In a new turn, Leonard told us that a new deputy comptroller was installed in his office. Leonard had no input in the hiring of this individual, who he said has a poor track record in government and has been investigated numerous times for corruption in previous posts.

16. (U) As the Frederick case stagnates, Health Minister Keith Mondesir is being investigated for falsely claiming that his Bonne Terre residence is part of the nearby Tuxedo Villa Hotel, in order to qualify it for duty free concessions. According to opposition leader Kenny Anthony, this is a serious breach of public integrity, and the opposition has started a procedure to sue PM King over this violation of customs duties by a Cabinet level official. Due to the delays in getting the case started, Mr. Anthony has been awarded a sum of \$935 USD to cover his legal costs.

Taiwan Influence

17. (C) According to Jeannine Compton, Taiwan is providing each Government MP with US\$1 million that is ostensibly designed for development projects, but is actually being used to fund elections and to personally enrich the MPs. Philip Pierre states that this contribution and its disbursement is not transparent and creates a sharp partisan divide between those constituencies that see the money go into actual community development projects, and those constituencies where the money vanishes into an MP's pocket or where communities represented by an opposition MP cannot enjoy the bounty. Compton told us (and Pierre later confirmed) that she refused to accept the money in the ordinary fashion, forcing the Taiwanese to make the donation to a government accounting board that would provide oversight to its eventual use. This makes her, so far, a minority of one in St. Lucia politics.

18. (C) Taiwan's Ambassador to St. Lucia Tom Chou has riled up the opposition further by locating a technology center consisting of 10 Acer computers in the election headquarters of Home Affairs and National Security Minister Guy Mayers. This office, in Castries East, is where Mayers (currently an unelected senator) is challenging Pierre for his MP seat. According to Pierre, the government has targeted his seat and is using Taiwanese money to build support. Opposition leader Kenny Anthony has called for the Ambassador to be deported, and makes no bones about believing that Taiwan is blatantly favoring the government and becoming involved in domestic politics. Ambassador Chou has stated (disingenuously) that he was unaware of the political dimension of this project.

Comment

19. (C) During the current economic downturn, there is concern that outside money will be able to exert greater influence in the political process. Public salaries are insufficient to run an election, let alone maintain an office

staff. The easy availability of funds from Taiwan and, to a lesser extent, Venezuela has expanded opportunities for graft. Minister Frederick is potentially a top player in this game, possibly skimming millions of dollars from a variety of illicit projects. So far, Terence Leonard is one of the few to publicly challenge widespread official corruption.

¶10. (C) During recent Independence Day festivities, it was easy to notice the conspicuously large diplomatic presence from Taiwan and their constant side meetings with numerous ministers and government officials. The Taiwanese Ambassador was accorded special access in the Prime Minister's box, while all other Ambassador's sat in a separate viewing section at some distance from the PM and Governor General. Since Taiwan's only interest in St. Lucia is that of maintaining official diplomatic recognition, they do not feel any compunction in bribing Ministers and undermining the rule of law. In the current economic environment, and without strong leadership at the helm of the ruling party, Taiwan should have little trouble finding willing takers. It is therefore not surprising that we have begun to hear that the opposition is taking money from China, Taiwan's foil in the region.

HARDT